ENERGY ASSURANCE DAILY

Monday Evening, March 31, 2008

Electricity

Energy Northwest's 1,107 MW Columbia Generating Station Nuke Unit in Washington Reduced to 65 Percent by March 30

The Nuclear Regulatory Commission reported that on the morning of March 29 the unit was operating at full power. Information derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/

Southern's 856 MW Hatch Nuke Unit 1 in Georgia Reduced to 78 Percent by March 31

The Nuclear Regulatory Commission reported that on the morning of March 30 the unit was operating at 92 percent. Information derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/

Reliant's 775 MW Ormond Beach Generating Station Gas-fired Unit 2 in California Shut March 30

According to the California Independent System Operator, the unit experienced an unplanned outage on March 30. http://www.caiso.com/unitstatus/data/unitstatus/200803301515.html

Calpine's 135 MW Gilroy Cogen Aggregate Gas-fired Unit in California Shut March 28 According to the California Independent System Operator, the unit experienced an unplanned outage on March 28. http://www.caiso.com/unitstatus/data/unitstatus/200803281515.html

San Miguel's 391 MW San Miguel Coal-fired Unit in Texas Shut March 29 Reuters, 11:01 March 31, 2008

OPG's 881 MW Darlington Nuke Unit 1 in Ontario Shut March 28 Reuters, 16:03 March 28, 2008

OPG 490 MW Nanticoke Coal-fired Unit 4 in Ontario Shut March 31

The company shut the unit for work by March 31. Traders expect the unit to return to service in about a month. Reuters, 10:35 March 31, 2008

TransAlta's 406 MW Sundance Coal-fired Unit 4 in Alberta Idled March 29 Reuters, 10:43 March 31, 2008

TVA's 1,125 MW Watts Bar Nuke Unit 1 in Tennessee Ramped Up to 92 Percent by March 31

The Nuclear Regulatory Commission reported that on the morning of March 30 the unit was operating at 80 percent. Information derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/

Constellation's 825 MW Calvert Cliffs Nuke Unit 1 in Maryland Ramped Up to 97 Percent by March 31

The Nuclear Regulatory Commission reported that on the morning of March 30 the unit was not operating. Information derived from the NRC Power Reactor Status Reports: http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/

Entergy's 966 MW River Bend Nuke Unit 1 in Louisiana at Full Power by March 30

The Nuclear Regulatory Commission reported that on the morning of March 29 the unit was operating at 75 percent. Information derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/

NMC's 522 MW Prairie Island Nuke Unit 2 in Minnesota at Full Power by March 30

The Nuclear Regulatory Commission reported that on the morning of March 29 the unit was operating at 40 percent. Information derived from the NRC Power Reactor Status Reports:

http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/

Dynegy's 335 MW El Segundo Gas-fired Unit 3 in California Returns to Service March 29

According to the California Independent System Operator, the unit experienced an unplanned outage on March 28. http://www.caiso.com/unitstatus/data/unitstatus200803291515.html

Luminant's 750 MW Martin Lake Coal-fired Unit 2 in Texas Back in Service After Weekend Power Cut

A storm cut power to the unit's generator control system on March 30. The company restarted the unit by the end of the day.

Reuters, 09:07 March 31, 2008

Reuters, 10:57 March 31, 2008

Update: Luminant's 575 MW Big Brown Coal-fired Unit 2 in Texas Restarts March 28

The company shut the unit March 22 to fix a boiler tube leak, according to sources. Reuters, 16:40 March 28, 2008

OPG Restarts 490 MW Nanticoke Coal-fired Unit 6 in Ontario March 28

The unit shut for less than a day. Reuters, 13:19 March 28, 2008

Update: Alberta Power's 150 MW Battle River Coal-fired Unit 4 in Alberta at Full Power March 27

The unit shut by February 6, 2008. MKW, 17:41 March 28, 2008

SCE&G Reports 15,903 Customers Briefly Without Power March 31

http://www.sceg.com/en/storm-center/outage-updates/

Petroleum

Valero Shuts FCC and Alkylation Unit at 135,000 b/d Wilmington, California Refinery March 27—Shutdown to Last 10 Days

Valero shut a 54,000 b/d fluidic catalytic cracking unit (FCC) and a 15,000 b/d alkylation unit, according to a spokesman. The shutdown should last 10 days, he said, as workers repair a line leak. Gasoline premiums surged 9.75 cents on the news.

Reuters, 17:29 March 28, 2008

Update: Valero Restarts Units at 260,000 b/d Port Arthur, Texas Refinery by March 31

A power outage halted a delayed coker and hydrocracker on March 27. The hydrocracker is near planned rates, according to a spokesman. The coker, meanwhile, was already reduced for repairs. It remains curtailed, as of latest reports.

Bloomberg, 11:40 March 31, 2008

Pumping Station Problem Shuts in 100,000 b/d of Oil in Southern Iraq Officials Plan for Full Restoration by April 1

An official declined to say whether last week's bombing is to blame for the 100,000 b/d production and export decrease. He did, however, attribute the curtailment to problems at a Bazargan oilfield pumping station. Bazargan's pipeline system was damaged in the March 27 attack.

Reuters, 08:59 March 31, 2008

Electrical Fault Temporarily Slows Rates at 1.44 Million b/d Basra Terminal in Iraq March 31

The incident lasted two-and-a-half hours, according to a shipping agent. The terminal is now operating normally, according to a source.

Reuters, 07:36 March 31, 2008

BP Plans Capacity Boosts Along Oil Pipeline from Azerbaijan to Turkey

A BP-led consortium plans to increase capacity along the Baku-Ceyhan pipeline to 1.2 million b/d in 2008. The consortium does not, however, expect to immediately operate at full capacity. Instead, it plans to boost throughput gradually: from 875,000 b/d currently, to 1 million b/d by the end of 2008, and 1.2 million b/d in 2009. A spokesman said the companies could expand the pipeline's capacity to 1.6 million b/d by 2012-2013. Reuters, 05:20 March 31, 2008

Protests Halt 28,000 b/d Agip-owned Oil Block in Ecuador March 28

Local protestors damaged the oil block's associated electric system, and halted about 28,000 b/d of crude production. Agip expected to resume output on Sunday, March 30. The protestors are seeking a greater share of the local oil wealth.

Reuters, 16:56 March 29, 2008

In Gabon, Potential National Oil Strike Looms as Shell and Union Workers Remain at Odds

The Shell strike began March 20, and has already shut in 60,000 b/d of oil production. Should Shell fail to settle, Gabon's National Organization of Petroleum Workers (ONEP) is appealing for a nationwide oil strike. That would effectively halt Gabon's entire oil output, or 240,000 b/d, based on 2007 Energy Information Administration (EIA) forecasts.

Reuters, 06:25 March 29, 2008

Natural Gas

Gas Release, Fire Halt Enterprise Products Partners' 550 MMcf/d Pioneer Cryogenic Natural Gas Processing Facility in Wyoming March 27

The plant will be shut for two to three weeks, according to the company. Prior to the incident, the facility had been processing approximately 550 million cubic feet per day (MMcf/d) of natural gas, and extracting natural gas liquids at a rate of about 26,000 barrels per day.

http://www.downstreamtoday.com/News/Articles/200803/Enterprise Wyo Processing Facility To 9690.aspx

Cubic Energy's Louisiana Fields Hold 2.5 Trillion Cubic Feet of Natural Gas, Report Says

Cubic Energy's Johnson Branch acreage in Louisiana contains approximately 2.5 trillion cubic feet of natural gas, according to an independent report. The land includes the Cotton Valley sandstones and Bossier/Haynesville shales. http://biz.yahoo.com/pz/080328/139008.html

Iroquois Gas to Increase Throughput by 300 MMcf/d Along Natural Gas Pipeline System in New York, Connecticut

Iroquois Gas Transmission System plans to boost natural gas throughput by 300 million cubic feet per day (MMcf/d) along its existing pipeline system in New York and Connecticut. The 300 million cubic feet per day (MMcf/d) boost would include two projects: a 200 MMcf/d expansion in Connecticut, slated for November, 2009 completion, and a 100 MMcf/d increase, set for service in late 2008. The Connecticut expansion includes a 1.6-mile, 36-inch pipeline, a new compressor station, and upgrades to an existing facility. The New York project, already under construction, would route more natural gas from upstate New York through the Bronx. http://powermarketers.netcontentinc.net/newsreader.asp?ppa=8knpp%5E%5Cjjilnov%5BUnj%216%3C%22bfen%5Fv

Barnett Shale's Natural Gas Reserves Exceeding Prior Estimates—Further Expansions to Come as Production Booms in Texas

In 2007, companies produced 3.7 billion cubic feet per day (Bcf/d) of natural gas at Barnett Shale, or about 4.3 percent of total U.S. output. Total production should expand to between 6.5 Bcf/d and 9.7 Bcf/d by 2015. Devon, which owns part of the field, expects its share to produce more than 18 trillion cubic feet of natural gas. That figure far exceeds Devon's prior estimates of its share, and even approaches its 2003 assessment of Barnett Shale's entire reserves.

http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=10014639 http://pro.energycentral.com/professional/news/gas/news article.cfm?id=10014634

Other News

Archer Daniels Midland Sues Railroad Companies Accuses Price Fixing

Archer Daniels Midland sued the "Big 5" railroad companies this week, claiming they colluded to demand fuel surcharge prices out-of-sync with market conditions. The suit calls for \$750 million in damages. http://www.iht.com/articles/ap/2008/03/26/business/NA-FIN-US-ADM-Railroads.php

Amid Fines, Violations, UtahAmerican Energy Halts Work at 2 Million Ton/Year Tower Coal Mine in Utah March 28

Citing "unexpected and unusual stress conditions," UtahAmerican Energy, a Murray Energy subsidiary, shut the Tower Coal Mine indefinitely. Regulators fined the company \$420,000 on March 20 for safety infractions, relating to explosives. They also fined the company for "flagrant" errors at another, separate mine. http://pro.energycentral.com/professional/news/power/news-article.cfm?id=10013600

Update: Pacific Ethanol to Open 50 Million Gallon/Year Ethanol Plant in Idaho

The facility will begin production this week, a company official said. Bloomberg, 10:57 March 31, 2008

Energy Prices

U.S. Oil and Gas Prices March 31, 2008			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	102.21	102.39	66.09
NATURAL GAS Henry Hub \$/Million Btu	9.36	8.54	7.34

Source: Reuters

Energy Notes

Update: Dominion Resources Restarts 77 MW Coal-fired Salem Harbor Power Plant in Massachusetts—Boiler Incident Killed Three Workers in November

Bloomberg, 10:52 March 31, 2008

Update: Southern Submits Plans to NRC for Two 1,150 MW Nuclear Reactors at Vogtle Power Plant in Georgia

Bloomberg, 11:43 March 31, 2008

NRC Cites Callaway for "Deliberate" Violation in Security Guard Incident at AmerenUE Plant

 $\underline{http://www.platts.com/Nuclear/News/7880902.xml?sub=Nuclear\&p=Nuclear/News\&?undefined\&undefinedwindefin$

Orange Grove Energy Plans 96 MW Orange Grove Gas-fired Peaker Plant in California—Original Plans Called for Completion by Summer, 2008, but Delays Pushed Back Proposed Start Date to 2009, or Later

http://powermarketers.netcontentinc.net/newsreader.asp?ppa=8knpp%5E%5CijiilrqUUni%216%3C%22bfen%5Fv

Chevron to Begin Oil Production Offshore Cambodia by 2011, Cambodian Government Says—About 15 to 20 Percent of 500 Million Barrel Block Should be Recoverable, it Says http://www.rigzone.com/news/article.asp?a_id=59053

FERC Approves Cheniere Energy's Request to Postpone Construction of LNG Terminal, Related Pipelines in Texas—Project Now Slated for 2012

http://intelligencepress.com/

U.S. Supreme Court: Delaware Has Authority to Block BP's Proposal for Crown Landing LNG Terminal in Delaware River

Reuters, 10:32 March 31, 2008

Canadian Government Revokes Permit for Imperial Oil's Proposed 300,000 b/d Kearl Oil Sands Project in Alberta—Company to Appeal Decision

Reuters, 10:32 March 31, 2008

Woodside Petroleum Restarts 30,000 b/d Enfield Oilfield Offshore Australia March 28—Cyclone Threat Halted Production March 27

Reuters, 20:05 March 28, 2008

Gazprom Delays Startup of Proposed 130,000 b/d Prirazlomnoye Field Offshore Russia Until 2010

Reuters, 06:25 March 31, 2008

Links

This Week in Petroleum from the Energy Information Administration (EIA) http://tonto.eia.doe.gov/oog/info/twip/twip.asp

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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